



May 12, 2020

Chair Donovan Dela Cruz
Senate Committee on Ways and Means
State Capitol
415 S. Beretania Street
Honolulu, Hawaii 96813

Dear Chair Dela Cruz:

This is in response to your request regarding the initial plans and budget for the use of federal funds appropriated under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under the proposed H.D.1 version of Senate Bill 75, S.D.2, an appropriation in the amount of \$10,000,000 from the \$1.25B provided for in Division A, Title V of the CARES Act is to be used for COVID-19 response and economic recovery programs.

As the Economic and Community Recovery Navigator, I offer the following comments:

Our islands and people have been devastated by the impacts of COVID-19. The Navigator was created to engage stakeholders in the development and implementation of strategies to address the economic and community impacts of COVID-19. The process involves three phases:

1. **Phase I: Stabilization.** Identify and address critical economic and community impacts. Engage with stakeholders on re-opening scenarios in the absence of official public health guidance from the government.
2. **Phase II: Recovery.** Identify and support economic and community development activities which provide recovery, job growth and capital investment in the economy. Continue to chart a course of re-entry into the workforce, balancing the needs of public health and economic recovery.
3. **Phase III: Resiliency.** Re-evaluate and restructure Hawai'i's economy to meet the new normal and desired future for Hawai'i. Identify and invest in systemic changes in the economy and society which furthers economic diversification, environmental preservation, sustainability and Hawai'i's values and way of life.

This crisis presents an opportunity for us to work with key stakeholders across the state to transform and change the trajectory of our economy to a more balanced, innovative,

and sustainable one— that which balances the people, the place and the culture – with the environment.

Communication and engagement with the businesses and organizations throughout our community is critical to engendering trust and confidence. This is one of the key roles for the Navigator's office.

With the Navigator and its office being established only a little over a month ago, the following is an outline of the activities associated with ramping up along with projected activities for the re-opening and economic recovery work ahead.

1) A digital platform / website was created shortly after I started in order to provide information and updates to the community.

- currently hosting a comprehensive set of resources for businesses and residents (such as financial resources, healthcare resources, FAQ, etc.)
- In the coming days we will be posting re-opening plan and specific guidelines for the various industry sectors that engage in the process.
- During the first 2 weeks, the website had 3,800 hits (~6.8K views) and nearly 900 individuals signed up to receive updates from the Navigator's website
- To date, we received over 170 emails from concerned community and business members.

2) We have been assisting sectors with developing suggested guidelines so they can prepare to reopen their businesses until official guidelines are issued

- Coordinate engagement sessions between state liaisons and stakeholders
- Researching and synthesize information on best practices applied in other states to aid stakeholders
- Guidelines developed in two weeks, based on national and global best practices, and informed by practices found in other states.

3) Provide economic impact assessments and develop COVID-19 reopening scenarios, identifying critical economic enablers to support job recovery

- Gap analysis for additional requirements to individual support based on federal and state support
- Economic estimates and long-term impact based on sector impacts to inform job recovery efforts.

4) Work with local partners to identify and engage business/community leaders in order to support the community in reopening and to begin plans for economic recovery

- Working with about 18 industry sectors to understand specific needs and challenges
- Already met with five groups (Retail, Restaurants, Non-Profits, Business Associations and Childcare), and have several more scheduled for this week (Agriculture, Financial Services, Healthcare, and Construction & Real Estate).

- Identifying highest priorities for sectors, including the need for childcare, adequate supply chain for PPE and sanitizing equipment, etc.

5) Develop a marketing and communication strategy for sharing reopening plans, building public confidence, and to encourage future investment

- Share weekly email updates and biweekly newsletters with community members with reopening and recovery updates
- Host digital webinars and other types of direct engagement with communities.

6) Build a vision and plan for Hawai'i 2.0 to help set up long-term economic success and stability

These efforts are estimated to be somewhere in the area of \$10M to coordinate, direct and implement a collaborative statewide plan for economic and community recovery and resiliency following the recent public health emergency. To support the immediate needs in Phase 1 to research and share best practices then quickly incorporate them into state planning, it is estimated to run about \$5M. This is necessary to support reopening efforts on a timelier basis. It is estimated that another \$1M is needed to support the Navigator's Office with limited staffing, equipment, and supplies. The remaining funds would be needed for Phase 2 to further re-opening, recovery and resilience efforts, and continue community engagement.

I want to thank the Senate for their support of me in my new role, and hope that you will consider this appropriation favorably so that we can continue our work in assisting stakeholders with their reopening efforts as well as strategies for economic viability in the context of new public health requirements.

Sincerely,

Alan M. Oshima
Hawaii Economic & Community Recovery Navigator